

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

**COMMAND AUDIT OF THE
BRIDGEPORT AREA**



FINAL REPORT

AUGUST 11, 2010

M e m o r a n d u m

Date: August 11, 2010

To: Office of the Commissioner
Attention: Commissioner J. A. Farrow

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**
Office of Inspector General

File No.: 010.13424.A13471

Subject: FINAL 2009 COMMAND AUDIT REPORT OF THE BRIDGEPORT AREA

In accordance with the Institute of Internal Auditors, *International Standards for the Professional Practice of Internal Auditing* §2440, issued by the Institute of Internal Auditors, Government Code §13887(a)(2), and the California Highway Patrol (CHP) Audit Charter, I am issuing the 2009 Command Audit Report of the Bridgeport Area. The audit focused on the command's Driving Under the Influence and Asset Forfeiture Programs.

The audit revealed the command has adequate operations. However, some issues were observed. This report presents suggestions for management to improve on some of its operations. In doing so, operations would be strengthened and the command would ensure it is operating in compliance with policies and procedures. We have included our specific findings, recommendations, and other pertinent information in the report. The Bridgeport Area agreed with all of the findings and plans to take corrective action to improve its operations.

The Bridgeport Area will be required to provide a 30 day, 60 day, six month, and one year response on its corrective action plan implementation. If identified issues are resolved and addressed during any phase of the above reporting period, no future action is required on their behalf. Also, the Office of Inspector General plans on conducting a follow-up review within one year from the date of the final report.

Additionally, in accordance with the *International Standards for the Professional Practice of Internal Auditing* and Government Code §13887(a)(2), this report, the response, and any follow-up documentation is intended for the Office of the Commissioner; Office of Assistant Commissioner, Field; Office of Legal Affairs; Office of Inspector General; Inland Division; and the Bridgeport Area. Please note this report restriction is not meant to limit distribution of the report, which is a matter of public record pursuant to Government Code §6250 et seq.

In accordance with the Governor's Executive Order S-20-09 to increase government transparency, the final audit report, including the response to the draft audit report, will be posted

Safety, Service, and Security

Office of the Commissioner

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on the CHP's internet website, and on the Office of the Governor's webpage, located on the State's Government website.

The Office of Inspector General would like to thank the Bridgeport Area's management and staff for their cooperation during the audit. If you need further information, please contact Captain Bob Jones at (916) 843-3160.

A handwritten signature in blue ink, appearing to read "E. Sanchez", is positioned above the printed name.

E. SANCHEZ, Captain
Interim Inspector General

cc: Office of Assistant Commissioner, Field
Inland Division
Bridgeport Area
Office of Legal Affairs
Office of Inspector General, Audits Unit

BUSINESS, TRANSPORTATION AND HOUSING AGENCY

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

COMMAND AUDIT OF THE BRIDGEPORT AREA

OFFICE OF INSPECTOR GENERAL

AUGUST 11, 2010

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EXECUTIVE SUMMARY

The Commissioner has the responsibility, by statute, to enforce laws regulating the operation of vehicles and use of highways in the State of California and to provide the highest level of safety, service, and security to the people of California. Consistent with the California Highway Patrol's (CHP) 2009 Audit Plan, the Office of the Commissioner directed the Office of Inspections, Audits Unit, to perform an audit of the Bridgeport Area.

The CHP's 2008-2010 Strategic Plan highlights the mission statement which includes five broad strategic goals designed to guide the CHP's direction. One strategic goal is to continuously look for ways to improve the efficiency and/or effectiveness of departmental operations.

The objective of the audit is to determine if the command has complied with operational policies and procedures regarding the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs. Additionally, this audit will provide managers with reasonable, but not absolute, assurance that departmental operations are being properly executed. The audit period was from January 1, 2008 through August 31, 2009. However, primary testing was performed of business conducted during the period of January 1, 2008 through June 30, 2009. The audit included a review of existing policies and procedures, as well as, examining and testing recorded transactions to determine compliance with established policies, procedures, and good business practices. The audit field work was conducted from September 14 - 15, 2009.

During the audit period, the command prepared only seven DUI Cost Recovery billing packages. Due to the small sample size for the audit period, the auditors reviewed all seven billing packages.

Based on the review of the Bridgeport Area's operations, this audit revealed the Bridgeport Area has complied with most operational policies. However, some issues were observed. The following is a summary of the identified issues:

DUI Cost Recovery Program

- The command submitted two DUI Cost Recovery billing packages prematurely to the Fiscal Management Section (FMS).
- The command did not always submit DUI Cost Recovery Program billing packages timely to the FMS.
- The command did not properly complete their DUI Cost Recovery Program documents.
- The command did not always maintain accurate DUI Cost Recovery Program documents.

Asset Forfeiture (AF) Program

- The command did not always forward copies of their Memorandums of Understanding timely to their Division.
- The command did not receive AF training from the Division AF coordinator at least once a year.
- The command did not provide AF training to affected personnel at least once a year.

Please refer to the Findings and Recommendations section for detailed information.

AUDIT REPORT

INTRODUCTION

To ensure the California Highway Patrol's (CHP) operation is efficient and/or effective and internal controls are in place and operational, the Office of the Commissioner directed the Office of Inspections, Audits Unit, to perform an audit of the Bridgeport Area.

The CHP's 2008-2010 Strategic Plan highlights the mission statement which includes five broad strategic goals designed to guide the CHP's direction. One strategic goal is to continuously look for ways to improve the efficiency and/or effectiveness of departmental operations. This audit will assist the CHP in meeting its goal.

OBJECTIVE AND SCOPE

The objective of the audit is to determine if the command has complied with operational policies and procedures regarding the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs that provide managers with reasonable, but not absolute, assurance departmental operations are being properly executed. The audit period was from January 1, 2008 through August 31, 2009. However, primary testing was performed of business conducted during the period of January 1, 2008 through June 30, 2009. This audit included the review of existing policies and procedures, as well as, examining and testing recorded transactions to determine compliance with established policies, procedures, and good business practices. The audit field work was conducted from September 14 -15, 2009.

METHODOLOGY

Under the direction of the Office of the Commissioner, each command was randomly selected to be audited regarding its DUI Cost Recovery and Asset Forfeiture Programs. During the scope period, the command prepared only seven DUI Cost Recovery billing packages. Due to the small sample size for the audit period, the auditors reviewed all seven billing packages.

There were no prior audit reports and findings of this command.

OVERVIEW

DUI Cost Recovery Program: The command was compliant with most state laws and departmental policies and has adequate internal controls regarding their DUI Cost Recovery Program. However, the command submitted two DUI Cost Recovery billing packages prematurely to the Fiscal Management Section (FMS); did not always submit DUI Cost Recovery Program billing packages timely to the FMS; did not always properly complete their DUI Cost Recovery Program documents; and did not always maintain accurate DUI Cost Recovery Program documents.

Asset Forfeiture Program: The command did not initiate or participate in any Asset Forfeiture (AF) cases during the audit period. However, based on the review of AF program documents, the command did not always forward copies of their Memorandums of Understanding timely to their Division; did not receive AF training from the Division AF coordinator at least once a year; and did not provide AF training to affected personnel at least once a year.

This audit revealed the command has adequate operations, nevertheless issues were discovered, which if left unchecked could have a negative impact on the command and CHP operations. These issues should be addressed by management to maintain the command's compliance with appropriate law, regulations, policies, and procedures. The issues and appropriate recommendations are presented in this report.

As a result of changing conditions and the degree of compliance with policies and procedures, the efficiency and effectiveness of operations change over time. Specific limitations may hinder the efficiency and effectiveness of an otherwise adequate operation including but not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, fraud, and management overrides. Establishing compliant and safe operations and sound internal controls would prevent or reduce these limitations; moreover, an audit may not always detect these limitations.

FINDINGS AND RECOMMENDATIONS

DRIVING UNDER THE INFLUENCE (DUI) COST RECOVERY PROGRAM

FINDING 1: **The command submitted two DUI Cost Recovery billing packages prematurely to the Fiscal Management Section (FMS).**

Condition: Based on the review of seven DUI Cost Recovery billing packages, the command treated two or 29 percent of the billing packages (case numbers 200800137 and F011-820-09) with Preliminary Alcohol Screening (PAS) results as supporting blood alcohol concentration (BAC) results and submitted them prematurely to the FMS. However, policy states a PAS is insufficient for this purpose. At the time these two billing packages were submitted to the FMS, these cases did not meet the California Highway Patrol's (CHP) requirements for billing DUI offenders. Subsequently, both cases did result in conviction (on September 15, 2008 and September 8, 2009) making them eligible for billing as Section B cases. Additionally, based on a telephone conversation with FMS personnel on September 22, 2009, these cases were billed and one had already paid the CHP. The invoice amounts were \$880 and \$826. Had these cases not resulted in convictions, the CHP would have been required to cancel these invoices and/or return any invoice payments received.

Criteria: Highway Patrol Manual (HPM), 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4.b.(2) states:

“(2) Completed CHP 735s, Incident Response Reimbursement Statements, based on Section B (refer to Annex C) shall be forwarded to FMS, Reimbursable Services Unit, within ten business days of the notification of a conviction of CVC Sections 23152, 23153, or greater offense as a result of one of the following:

- (a) In the case of a refusal.
- (b) An arrest for drugs only.
- (c) A BAC of less than .08%.”

HPM, 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraphs 3.b. and 3.c. states:

“b. Cost Recovery Criteria. The Department will seek to recover DUI incident-related costs for alcohol or a combination of alcohol and drugs provided all the following apply:

(1) An arrest was made for a violation of California Vehicle Code (CVC) Sections 23152, 23153, or a greater offense involving alcohol and/or drugs.

(2) The arrested party was determined by the investigating officer to have caused a response to an incident.

c. In addition to the above criteria, one of the following must also apply to bill upon arrest:

(1) A supporting evidential (Preliminary Alcohol Screening is insufficient) test with a Blood Alcohol Concentration (BAC) result of at least .08% or greater (breath tests must have two readings of at least .08%):

(2) A commercial driver while driving a commercial vehicle has a supporting evidential test with a BAC result of at least .04% or greater.”

Recommendation: The command should comply with departmental policy regarding PAS results. In cases where an offender refuses to submit to a chemical test and only PAS results are obtained, the command must wait until a conviction before submitting a CHP 735 for billing.

FINDING 2: **The command did not always submit DUI Cost Recovery Program billing packages timely to the FMS.**

Condition: Based on the review of seven DUI Cost Recovery billing packages, one (14 percent) billing package was not submitted to the FMS within ten business days (case number 20090010). This billing package was submitted to the FMS 72 days after receiving the necessary information required to submit the billing package.

Criteria: HPM 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4.b.(1) states:

“(1) Completed CHP 735s, Incident Response Reimbursement Statements, based on Section A (refer to Annex B) shall be forwarded to Fiscal Management Section (FMS), Reimbursable Services Unit, within ten business days of one of the following dates:

(a) The date BAC results of .08% or greater are received.

(b) The date BAC results of .04% or greater are received for a commercial driver.”

HPM 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4.b.(2) states:

“(2) Completed CHP 735s, Incident Response Reimbursement Statements, based on Section B (refer to Annex C) shall be forwarded to FMS, Reimbursable Services Unit, within ten business days of the notification of a conviction of CVC Sections 23152, 23153, or greater offense as a result of one of the following:

- (a) In the case of a refusal.
- (b) An arrest for drugs only.
- (c) A BAC of less than .08%.”

Recommendation: The command should comply with departmental policy by submitting DUI Cost Recovery Program billing packages timely to the FMS.

FINDING 3: **The command did not properly complete their DUI Cost Recovery Program documents.**

Condition: Based on the review of seven DUI Cost Recovery billing packages, all (100 percent) revealed the offender’s case numbers were not included on the CHP 415, Daily Field Record forms and all revealed the offender’s names were not consistently listed on the CHP 415 forms. Additionally, two (29 percent) CHP 735 forms did not complete the “DATE TO FISCAL MANAGEMENT” portion of the form.

Criteria: Government Code (GC) Section 13403(a)(6) articulates one of the elements of a satisfactory system of internal accounting and administrative control is an effective system of internal review.

HPM 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4.e.(2)(c)1 states:

“1 Offender’s name and court case number shall be included on the CHP 415, Daily Field Record.”

Recommendation: The command should include the offender’s court case number and name on the CHP 415 forms in order to properly complete their DUI Cost Recovery documents.

FINDING 4: **The command did not always maintain accurate DUI Cost Recovery Program documents.**

Condition: Based on the review of DUI Cost Recovery Program documents for the period of January 1, 2008 through June 30, 2009, four (57 percent) of the seven DUI Cost Recovery billing packages revealed the hours billed on the CHP 735 forms did not reconcile to the associated CHP 415 forms because the officers did not itemize billable hours on their CHP 415 forms.

Criteria: GC Section 13403(a)(6) articulates one of the elements of a satisfactory system of internal accounting and administrative control is an effective system of internal review.

HPM 11.1, Administrative Procedures Manual, Chapter 20, DUI Cost Recovery Program, paragraph 4.e.(2)(c) states:

“(c) The number of staff hours charged on the CHP 735, Incident Response Reimbursement Statement, must agree with the appropriate CHP 415, Daily Field Record. Area office must be able to verify the hours claimed on the CHP 735, Incident Response Reimbursement Statement, when offenders challenge the hours billed. If an Area office cannot substantiate the hours billed, the Department cannot recover incident costs. In order to reconcile the hours, please ensure the following information is included:

1 Offender’s name and court case number shall be included on the CHP 415, Daily Field Record.

2 When time recorded under a specific category (e.g., Accident Investigation, Partner Assist, Response Time) on the CHP 415, Daily Field Record, includes more than one activity, indicate the billable DUI time in the Notes portion on the CHP 415, Daily Field Record.”

Recommendation: The command should reconcile the number of staff hours claimed on the CHP 735 with the CHP 415 to substantiate the billable hours billed.

ASSET FORFEITURE (AF) PROGRAM

FINDING 1: **The command did not forward copies of their Memorandums of Understanding (MOUs) timely to their Division.**

Condition: The command maintains one 2008 MOU with an allied law enforcement agency in Mono County and one 2008 MOU with the Mammoth Lakes Police Department. Based on the review, the MOUs were properly completed and signed; however, there was no evidence the MOUs were forwarded to their Division in 2009.

Criteria: HPM 81.5, Drug Programs Manual, Chapter 2, Asset Forfeiture Program, paragraph 4.b. states:

“b. Annual Review. Area AFCs shall review their respective MOUs annually in order to ensure the agreements are current. Area AFCs shall forward copies of renewed MOUs to their Division no later than February 1 of each year. Divisions shall forward copies to FSS no later than March 1.”

Recommendation: The command should forward copies of their MOUs timely to their Division.

FINDING 2: **The command did not receive AF training from the Division AF coordinator (AFC) at least once a year.**

Condition: Due to frequent personnel turnover, the command was not able to provide evidence that an Area AFC received training from their Division AFC in 2008 and 2009.

Criteria: HPM 81.5, Drug Programs Manual, Chapter 2, Asset Forfeiture Program, paragraph 21.a. states:

“a. In order to ensure uniformity throughout the Department, Division AFCs shall receive annual training from the departmental AFC coordinator in FSS. The training will encompass asset forfeiture laws, pending state and/or federal legislation relating to asset forfeiture, departmental policies, and procedures. Division AFCs will in turn provide annual training to Area AFCs, uniformed employees assigned to NTFs, canine handlers, and affected non-uniformed employees involved with asset forfeiture. The training shall be of sufficient duration to ensure full understanding of legal/policy requirements. In addition, Division AFCs should attend Division Area Commanders’ Conferences as necessary to provide commanders with an overview of the Department’s AFP and any related new legislation or updates to departmental policy.”

Recommendation: The command should receive AF training from the Division AFC at least once a year.

FINDING 3: **The command did not provide AF training to affected personnel at least once a year.**

Condition: Due to frequent personnel turnover, the command was not able to provide evidence that the Area AFC provided annual training to appropriate Area personnel in 2008 and 2009. Additionally, at the time of the audit, the command did not have a designated Area AFC.

Criteria: HPM 81.5, Drug Programs Manual, Chapter 2, Asset Forfeiture Program, paragraph 21.b states:

“b. Area AFCs shall provide training for Area supervisors, officers, and affected non-uniformed personnel at least once a year.”

HPM 81.5, Drug Programs Manual, Chapter 2, Asset Forfeiture Program, paragraph 9.a. states:

“a. The Area AFC is the Area level liaison for the AFP. Area AFCs shall be uniformed supervisors and should be available during normal business hours. At the commander’s discretion, Area AFCs may delegate tasks to an officer; however, the appointed uniformed

supervisor is ultimately responsible for ensuring the duties of the Area AFC are accomplished.”

Recommendation: The command should provide AF training to affected personnel at least once a year.

CONCLUSION

Based on the review of the command's operation, this audit revealed the command has adequate operations. However, some issues were observed. This report presents suggestions for management to improve on some of its operations. In doing so, operations would be strengthened and the command would operate in accordance with departmental policies and procedures.

ANNEX

A

Memorandum

Date: July 28, 2010

To: Assistant Commissioner, Field

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**
Inland Division

File No.: 801.10553.10734

Subject: RESPONSE TO COMMAND AUDIT – BRIDGEPORT AREA

Attached is the Bridgeport Area response to the Command Audit completed by the Office of Inspections. The audit was of the Area's DUI Cost recovery and Asset forfeiture programs. Inland Division concurs with the Bridgeport Area Commanders response. No further action is required.



J. P. TALBOTT, Chief

ANNEX

B

M e m o r a n d u m

Date: June 11, 2010

To: Inland Division

From: **DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**
Bridgeport Area

File No.: 820.10757.10757

Subject: RESPONSE TO COMMAND AUDIT – BRIDGEPORT AREA

The following memorandum is the Bridgeport Area's response to the Findings and Recommendations section of the Driving Under the Influence (DUI) Cost Recovery and Asset Forfeiture Programs audit.

Driving Under the Influence (DUI) Cost Recovery Program

- Finding 1 – Agree.** The Area will provided additional training as necessary to the Office Services Supervisor and Office Assistant in regard to CHP 735 processing.
- Finding 2 – Agree.** The Area will provide additional training as necessary to the Office Services Supervisor and Office Assistant in regard to CHP 735 processing. Additionally, Area Supervisors and the Area Commander will monitor the processing of all CHP 735's to ensure they are submitted in a timely manner.
- Finding 3 – Agree.** The Bridgeport Area will provide training to all officers and sergeants in the proper completion of the CHP 735. All officers and Sergeants will be required to include the offender's name and the citation number in the "Notes" section of the CHP 415. Additionally, all personnel involved will attach a printed copy of their CHP 415 to the CHP 735 to be reviewed.
- Finding 4 - Agree.** The Bridgeport Area will compare completed CHP 415's by involved personnel to the CHP 735 to ensure accuracy. Officers and sergeants will receive additional training regarding the proper completion of the CHP 415 to ensure time is recorded under the specific category (I. E. Accident Investigation, Response time, etc) to which it is billable on the CHP 735.

ASSET FORFEITURE PROGRAM

Finding 1 – Agree The Bridgeport Area will create a suspense file for review and resubmitting of MOU's on an annual basis to ensure the documents are accurate, current and submitted to Division in a timely manner.

Finding 2: - Agree. The Bridgeport Area's Training Sergeant will ensure that he/she coordinates with the Inland Division's Asset Forfeiture Coordinator for annual refresher training for all affected Area personnel.

Finding 3 - Agree. The Bridgeport Area will provide annual refresher training to all affected personnel.



R. J. LUNDY, III Lieutenant
Commander